

## MASTER AGREEMENT REGARDING BALLPARK COMPLEX DEVELOPMENT

THIS MASTER AGREEMENT REGARDING BALLPARK COMPLEX DEVELOPMENT (this "Agreement") is entered into as of the 4th day of December, 1990, by and between The City of Arlington, Texas (the "City"), a municipal corporation of the State of Texas and a home rule city, and The Texas Rangers, Ltd. (together with its affiliates, the "Rangers"), a Texas limited partnership.

### WITNESSETH:

WHEREAS, the Rangers currently play major league baseball at and own Arlington Stadium located within the city limits of the City; and

WHEREAS, the City and the Rangers have determined that it is in the best interest of the City and the Rangers for the Rangers to continue to play major league baseball in the City; and

WHEREAS, the Rangers have determined that it is in the best interest of the Rangers and their fans to play major league baseball in a new ballpark complex designed to provide the best facilities for playing and attending major league baseball; and

WHEREAS, the City and the Rangers have agreed to a plan for the development of a new ballpark complex and related amenities within the city limits of the City and the City has agreed to create a financing authority to make available certain financing for such development; and

WHEREAS, this Agreement sets forth the agreements of the City and the Rangers regarding the development of the ballpark complex, and the parties have agreed to complete and implement the development plan consistent with the terms of this Agreement as soon as practicable following the execution of this Agreement and to prepare and execute in definitive form all documentation necessary, appropriate or desirable to carry out the transactions agreed to by the parties in this Agreement; and

WHEREAS, the City and the Rangers agree that the matters and agreements which are a part of the foregoing recitals are all subject to and made upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed by each of the parties hereto, the parties hereto have agreed and do hereby agree as follows:

### I. DEVELOPMENT

1.1 Development of Ballpark Complex. Subject to completion of the Implementation Steps (hereinafter defined), the City agrees to cause an instrumentality or a non-profit corporation created by or acting on behalf of the City (such developing entity herein referred to as the "Ballpark Complex Authority") to provide, financing for the construction and development of the new ballpark complex for major league baseball and other amenities as contemplated in this

Agreement (the “Facilities”) on the Facility Lease Tract (hereinafter defined). The Facilities will include a ballpark suitable for playing major league baseball and other improvements and amenities, such as a ballpark suitable for use by children whose age is 12 or under, a learning center suitable for use by children whose age is 19 or under, a hall of fame facility, an amphitheater, a ballpark complex transportation system, a riverwalk and linear park (the “Linear Park”), and such other improvements as may enhance the ballpark complex.

1.2 Design of Facilities. The Facilities, other than the Linear Park, shall be provided, constructed, and equipped in accordance with designs, plans and specifications prepared by or under the direction of the Rangers. All costs of preparation of designs, plans and specifications for all the Facilities shall be

Cost of the Facilities (hereinafter defined) payable or reimbursable from the proceeds of the Bonds and the Incremental Funding. Construction of the Facilities shall be accomplished in accordance with applicable law.

1.3 Other Improvements.

1.3.1 Street Improvements. The City agrees to construct and maintain certain street improvements incident to the development and construction of the Facilities at the cost of the City and Tarrant County to the extent of \$2,500,000.00 each, with the excess of such costs over \$5,000,000.00 to be funded from the proceeds of the Bonds (hereinafter defined). These improvements include constructing an additional two lanes on Stadium Drive from .past Randol Mill Drive to Division, extending the Road to Six Flags Drive through to a new Stadium Drive interchange and constructing and landscaping a boulevard type street to be known as the Nolan Ryan Expressway from Copeland Road to Stadium Drive. The design, location and construction of the street improvements to be made shall be coordinated with the design and construction of the Facilities, subject to the prior mutual approval of the City, Tarrant County and the Rangers, in order to provide the optimum aesthetic and functional access to and from, and vehicular flow within, the Facility Lease Tract. The City agrees to use its best efforts with all governmental entities to cause the relocation of the Highway 360 interchange and the widening of Interstate Highway 30 to more efficiently service the Facility Lease Tract. The City agrees to use its best efforts to seek the assistance of all governmental entities in making such street improvements prior to the opening of the new major league ballpark. The described street improvements shall be and remain public streets of the City, and do not constitute a part of the Facilities.

1.3.2 The Linear Park The Linear Park shall contain, among other things, jogging and biking trails, and picnic areas, and, subject to applicable regulatory approvals by the United States Corps of Engineers and other governmental agencies having jurisdiction, low water dams and ponds designed to create a riverwalk atmosphere and an overall environment that is compatible with the family atmosphere and design of a major league baseball park as intended for the other Facilities.

The costs of construction of the Linear Park shall be paid for, to the extent available, from applicable state and federal grant funds, with any deficiency being included as a Cost of the Facilities, payable from the proceeds of the Bonds or the Incremental Funding.

The design and the precise location and configuration of the Linear Park shall be coordinated with the design and construction of the remaining portions of the Facilities and shall be subject to the mutual approval of the City, the Rangers, and other governmental agencies and authorities having jurisdiction.

The Linear Park shall not be leased to the Rangers, and shall at all times be and remain in the public domain as a part of the City's other public facilities, operated and maintained at its expense, for public use and purposes, and with any and all revenues therefrom accruing directly to the City. In order to assure continued compatibility with the remaining Facilities, the City and the Rangers agree that only such commercial entertainment or attractions as shall have been mutually approved by the City and the Rangers shall be permitted within the Linear Park.

1.3.3 Convention Center Parking. In connection with the transfer by the Rangers to the City of certain land adjacent to the Arlington Convention Center pursuant to Article III of this Agreement, the City agrees that the Rangers, their fans and patrons and Major League Baseball for special games shall have full access to and from and use of the parking facilities of the Arlington Convention Center on the days that the Rangers or Major League Baseball are playing baseball games in the Facilities. The City shall set the parking rates in such parking facilities for the days that the Rangers or Major League Baseball are not playing major league baseball games in the Facilities. The City shall collect and retain all parking fees for such days that the Rangers or Major League Baseball are not playing major league baseball in the Facilities. The Rangers shall set the parking rates in such parking facilities for the days that the Rangers or Major League Baseball are playing major league baseball games in the Facilities. The Rangers shall collect all fees charged for parking at such facilities on game days and remit one-half (1/2) of such fees to the City and retain one-half (1/2) of such fees as its income. The City further agrees that such parking rights shall remain in full force and effect in favor of the Rangers, and shall not be revoked or diminished in any way, so long as major league baseball is played at the Facilities.

1.4 Maintenance of Facilities. The Rangers agree to maintain such of the Facilities as are leased to the Rangers, as provided in the Facility Lease, in good order and condition, reasonable wear and tear excepted, at the cost of the Rangers. Insurance and casualty losses shall be as mutually agreed in the Facility Lease.

## II. FINANCING

2.1 Costs of the Facilities. It is understood and agreed that the costs of the Facilities (the "Costs of the Facilities") will include the following: (i) land acquisition costs, (ii) the architectural and engineering costs for preparation of plans, specifications and designs for the Facilities, (iii) cost of construction, equipment, furniture, and furnishings of the Facilities in order to make them usable for the purposes intended, (iv) financing costs, including underwriting costs, fees, and expenses, and the fees and expenses of attorneys, market analysis, consultants, and the costs of credit enhancement, if any, v) capitalized interest during construction and reserve fund requirements attendant-to the financing, (vi) out-of-pocket costs of the City or the Rangers paid out or incurred prior to the financing stage for the Facilities for any of the foregoing purposes, including costs incurred in connection with the Implementation Steps, and (vii) such other costs and expenses the City and the Rangers shall mutually approve.

It is agreed by the City and the Rangers that the Facilities will be of such design and quality as will cause the Costs of the Facilities not to exceed \$465 million. The Rangers shall have architectural, engineering and construction control and discretion over the Facilities other than the Linear Park and the Costs of the Facilities related thereto. All other costs of the Facilities shall be as mutually approved by the City and the Rangers. It is further agreed, however, that the Rangers shall have the right and option to enhance the design and quality of the Facilities above the stated maximum costs at its sole cost and expense.

2.2 Issuance of Sales Tax and Lease Revenue Bonds and Incremental Funding. Subject to the completion of the Implementation Steps, the Costs of the Facilities shall be paid for in the following manner:

(a) By the issuance by the Ballpark Complex Authority of its Sales Tax and Lease Revenue Bonds (the “Bonds”) in an aggregate principal amount not exceeding \$135 million; and

(b) By incremental funding (the “Incremental Funding”) contributed from funds received by the Rangers from the lease or sale of luxury suites and/or seat options in the ballpark in an amount not exceeding \$30 million, to be applied toward the satisfaction of the Costs of the Facilities in excess of \$135 million. The source of, and amount of, funding for the Incremental Funding will be solely from the lease or sale of luxury suites and/or seat options.

The structure, maturities, interest rates, provisions and specific terms of the Bonds shall be as mutually approved by the Ballpark Complex Authority, the City, and the Rangers and are subject to market conditions and applicable law.

It is understood and acknowledged by the parties that neither the Bonds nor the Incremental Funding shall ever be paid or payable from the general credit or ad valorem taxing power of the City.

2.3 Repayment of Bonds and Incremental Funding.

2.3.1 Sources of Repayment of Bonds. The City and the Rangers agree that the Bonds shall be repaid from the following sources:

(a) The rental under the Facility Lease (hereinafter defined), including the base rent and the additional rent, aggregating \$3.5 million per year, shall be applied to the repayment of the principal of and interest on the Bonds when due;

(b) The Sales Tax (hereinafter defined) approved by the Referendum (hereinafter defined) shall be applied to the repayment of the principal balance of and interest on the Bonds when due; and

(c) From a contingent prior lien pledge of revenues (in the event sources of repayment under Sections 2.3.1(a) and (b) are not sufficient to discharge the principal of and interest on the Bonds when due), up to not more than \$2 million per year, derived by the Rangers from the imposition and collection of a \$1.00 admissions surcharge (the “Admissions Surcharge”) collected by the Rangers on all tickets sold for attendance at Rangers or other Major League Baseball special baseball games in the baseball park comprising a part of the Facilities.

It is understood and agreed that the Sales Tax shall be used exclusively for the purpose of paying the principal of and interest on the Bonds, when and as due and payable, and that the levy and collection of the Sales Tax will be discontinued in its entirety when all Bonds and any refunding obligations are paid in full. It is further agreed and understood that the Admissions Surcharge shall cease to be imposed and collected upon the latter to occur of (i) the payment in full or defeasance of the Bonds, or (ii) the payment in full of the Incremental Funding.

2.3.2 Source of Repayments of Incremental Funding. The City and the Rangers agree that the Incremental Funding shall, subject to the prior lien pledge thereof to the payment of the Bonds, as provided in subsection 2.3.1(c), be repaid from the revenues, up to not more than \$2 million per year, derived by the Rangers from the Admissions Surcharge. In the event the Admissions

Surcharge produces revenues greater than \$2 million in any year, then such excess shall be applied against the maintenance expenses of the Ballpark Complex Authority under the Facility Lease.

2.4 The Referendum. On November 13, 1990, the City has called a referendum vote (the "Referendum") to authorize the levy and collection of an additional one-half (1/2) cent sales and use tax within the City (the "Sales Tax") to be used to repay the Bonds as contemplated in Section 2.3. The City will hold the Referendum on January 19, 1991. The parties understand and acknowledge that the requirements of this Agreement cannot be met without a favorable vote of the voters at the Referendum and the enactment of enabling legislation authorizing the transactions contemplated herein. As soon as practicable following the favorable vote at the Referendum, the City agrees to seek the enactment of enabling and implementing legislation of this Agreement (the "Implementation Steps") in the next regular session of the Texas Legislature. The implementation of this Agreement and its various steps and provisions is contingent on the outcome of such election and the passage of such legislation. If the Implementation Steps are completed, the City and the Rangers agree to proceed immediately with the implementation of the terms and provisions of this Agreement.

### III. LAND

3.1 Section 1031 Exchange. Concurrently with the closing of the issuance of the Bonds, the Rangers agree to transfer approximately 12.714 acres of land (more or less) to the City, portions of such land being located adjacent to the Arlington Convention Center and adjacent to Punch Wright Park, shown as Parcels A and B on the map (the "Map") set forth on Exhibit A attached hereto and made a part hereof for all purposes, and in exchange therefor the City agrees to transfer approximately 12.714 acres of land (more or less) to the Rangers, being located at the corner of Copeland Road and Convention Center Drive, shown as Parcel C on the Map. The transfers described in this Section 3.1 shall be effected pursuant to a Section 1031 exchange. The City shall cause the satisfaction of existing leasehold interests affecting the lands to be transferred to the Rangers pursuant to this Section 3.1 on terms approved by the City and the Rangers. It is agreed by the parties that any costs incurred in satisfaction of such leasehold rights constitute a Cost of the Facilities. It is also agreed that the land thus transferred to the City will not be leased to the Rangers under the Facility Lease.

3.2 Other Transfers. Concurrently with the issuance of the Bonds and in addition to the exchange described in Section 3.1, the following transfers shall occur:

(a) The Rangers agree to transfer approximately 78 acres of land (more or less) to the Ballpark Complex Authority located north of East Randol Mill Drive and between Pennant Drive and Stadium Drive, shown as Parcel D on the Map;

(b) The City agrees to transfer the 7.49 acres of land (more or less) located at the northwest corner of Stadium Drive and East Randol Mill Drive, shown as Parcel E on the Map, to the Ballpark Complex Authority in exchange for which the Ballpark Complex Authority shall transfer to the City a portion of land along Johnson Creek for the Linear Park of comparable value; and

(c) The Ballpark Complex Authority shall acquire an additional 105 acres of land (more or less), portions of such land being located south of East Randol Mill Drive and west of Stadium Drive, and south of the Road to Six Flags Drive and east of Stadium Drive, all shown as Parcels F, G, H

and I on the Map, plus such other land as the Rangers and the City shall determine is desirable for the development of the Facilities.

3.3 Timing and Effect of Transfers. The properties transferred and exchanged pursuant to this Article III will be transferred and exchanged free and clear of any encumbrances or rights in favor of any parties, provided, however, (i) the properties transferred by the Rangers under this Article III shall remain subject to the rights of the Rangers to continue to use the existing Arlington Stadium and related amenities (including, without limitation, all parking facilities), at an annual rental of \$1.00 and subject to the terms of an interim lease agreement to be mutually approved and executed, until the new major league ballpark is open and ready for full use by the Rangers, and (ii) the Ballpark Complex Authority will assume a portion of the current financing secured by the existing Arlington Stadium to the extent of \$17,000,000.00 (the "Existing Financing") and a portion of the proceeds from the Bonds shall be applied to satisfy the Existing Financing within thirty (30) days of receipt of the proceeds of the Bonds. The property owned by the Ballpark Complex Authority following the exchanges and transfers provided in Sections 3.1 and 3.2 is called the "Facility Lease Tract."

#### IV. FACILITY LEASE

4.1 Leasing of Facilities. The Facilities and the Facility Lease Tract shall be leased to the Rangers in accordance with this Article.

4.1.1 Facility Lease. Subject to and upon the satisfaction of the terms and conditions of this Agreement, the Rangers, as lessee, and the Ballpark Complex Authority, as lessor, will enter into a ground lease (the "Facility Lease") of the Facility Lease Tract and all improvements thereon (other than the Linear Park) for a 30-year term, commencing on the date the first major league baseball game is played in the new major league ballpark.

4.1.2 Rent. Base rent shall be \$2,000,000.00 per year, payable monthly throughout its term. The parties agree that the base rent payments to the Ballpark Complex Authority under the Facility Lease shall be in lieu of ad valorem taxes thereon, which the City and the Rangers agree is not owed by the Rangers.

Additionally, until the Bonds are paid or defeased, the Rangers shall pay additional rent under the Facility Lease in an amount equal to \$1,500,000.00 per year. Upon payment in full or defeasance of the Bonds, the total rent due under the Facility Lease shall be \$2,000,000.00 per year.

4.1.3 Sublease and Development. The Facility Lease shall provide the Rangers the right to sublease or develop portions of the Facility Lease Tract for compatible uses and purposes with all revenues generated by any such subleases or development belonging to the Rangers. In this regard, the Facility Lease shall provide that, at the election of the Rangers, the Facility Lease may be separated into counterpart leases covering individual tracts of land included in the Facility Lease Tract. Further, the Rangers shall be permitted to mortgage its leasehold interests under the Facility Lease.

4.1.4 Baseball Franchise Operation. The Facility Lease will provide that the Rangers agree to maintain and operate a major league baseball franchise at the baseball park included in the Facilities for the period during which any Bonds are outstanding, and, if the option to purchase described in Section 4.2 is exercised, then for a period of 10 years thereafter.



With copy to:

Jackson & Walker  
301 Commerce Street, Suite 2700  
Fort Worth, Texas 76102  
Attention: Gerald W. Haddock

5.3 Binding Agreement. This Agreement is intended to be and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, the Ballpark Complex Authority. Each party hereto is relying, as a material inducement to making the agreements made herein by the respective parties, on the representation by the other party that this is a binding and enforceable agreement.

5.4 Invalidity. Should any provision of this Agreement be held to be invalid, illegal or unenforceable for any reason, such invalidity, illegality or unenforceability shall in no way affect or diminish the other provisions of this Agreement.

5.5 Governing Law. This Agreement and the transactions contemplated herein and to be consummated pursuant hereto are performable in Tarrant County, Texas, and shall be governed by the laws of the State of Texas, and the parties agree that venue for any proceedings brought to determine the rights of the parties hereunder shall be in a court of competent jurisdiction in Tarrant County, Texas.

5.6 Headings. The headings and captions in this Agreement are for convenience only and shall in no way amend, modify or in any way affect the substance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year hereinabove written.

THE CITY OF ARLINGTON, TEXAS

By:

Mayor, City of Arlington, Texas

ATTEST:

City Secretary, City of Arlington, Texas

THE TEXAS RANGERS, LTD., a Texas limited partnership

By: B/R Rangers Associates, Ltd. a Texas limited partnership, its Managing General Partner

By: GWB Rangers Corporation, a Texas corporation, a General Partner

By: EWR Rangers Corporation, a Texas corporation, a General Partner



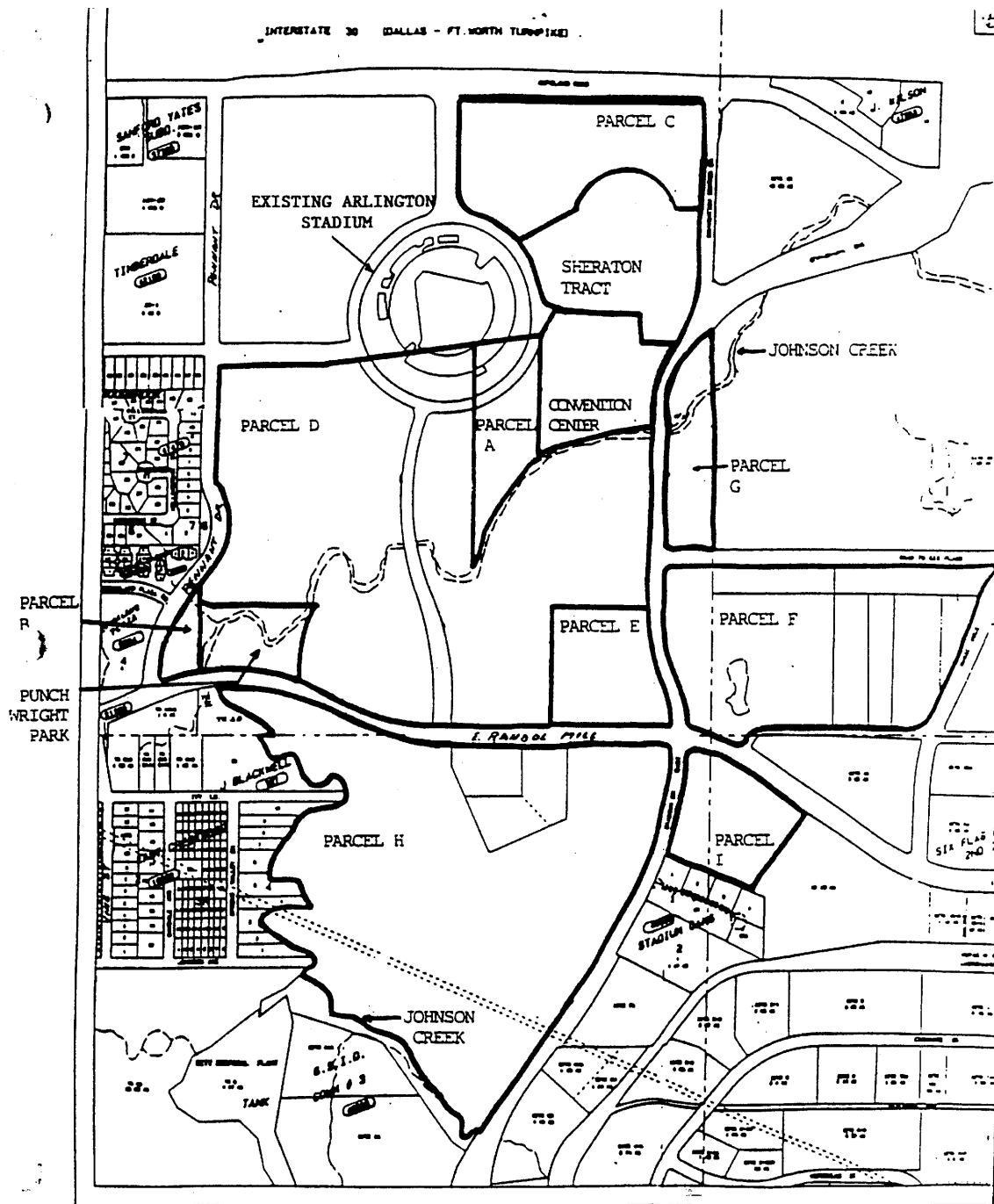


EXHIBIT A

